

ANNUAL REPORT

OF THE

Detroit and Mackinac Railway Company



**For The Fiscal Year Ending December 31st,
1925**

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1925**

Transcript.

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

- HENRY K. MCHARG.....Stamford, Conn.
- HENRY K. MCHARG, JR.....East Tawas, Mich.
- DAVID H. PIERSONNew York, N. Y.
- JAMES BROWN MABON.....New York, N. Y.
- JAMES McNEIL.....New York, N. Y.

OFFICERS

- HENRY K. MCHARG, *President*, Stamford, Conn.
- JAMES McNEIL, *Secretary-Treasurer*, 40 Wall Street, New York, N. Y.
- HENRY K. MCHARG, JR., *Vice-President and General Manager*, East Tawas, Michigan.
- CHARLES E. GLASS, *Second Vice-President and Auditor*, East Tawas, Michigan.

General Office (In Michigan) EAST TAWAS, MICHIGAN.
General Office (Outside of Michigan) 40 WALL ST., NEW YORK, N. Y.

COLEGROVE & MURPHY
CERTIFIED PUBLIC ACCOUNTANTS
DETROIT

February 15, 1926.

Mr. C. E. Glass,
Vice-President and Auditor,
Detroit & Mackinac Railway Company,
East Tawas, Michigan.

Dear Sir:—

Pursuant to your request, we have made an examination of the accounts of the Detroit & Mackinac Railway Company for the year ended December 31, 1925, and herewith present statements showing the result of the operation of your company for the period under review.

We hereby certify; that according to the books and records, the attached Balance Sheet reflects the true financial status of your company at December 31, 1925, and the accompanying statements of Income and Profit and Loss, with the supporting schedules, are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

COLEGROVE & MURPHY.

REPORT OF THE PRESIDENT TO THE STOCKHOLDERS
OF THE
DETROIT AND MACKINAC RAILWAY COMPANY

February 10, 1926.

To the Stockholders of the Detroit and Mackinac Railway Company:

I regret to inform you that the financial results, as shown by the statements for the Year 1925, are discouraging, in that our gross revenue for this period decreased \$228,325.18, or 11.86%; however, analysis of this decrease discloses the following facts:

Freight Earnings decreased \$173,687.27, or 12%, primarily on account of very little highway construction work being undertaken by the State in the immediate territory served by your Road, which occasioned a large decrease in the shipments of gravel and cement.

Passenger Earnings decreased \$45,941.53 or 15.16%, which is attributable entirely to bus and private automobile competition. How much further Passenger Earnings will fall off, it is of course impossible to state; however, since the Year 1920, each succeeding year has shown a decrease of approximately 15% from the one preceding.

On account of money expended on "Improvements" and "Betterments" during the past five years, we were able to decrease our Operating Expenses materially for the past year; however, we were unable to reduce our Operating Expense in the same percentage that our gross revenue decreased.

The increase of \$150,000.00 made by the Assessors last year in the value of the property, (very unjustly it seems to me), made our State Tax \$121,554.25, or 7.16% of our total revenue for the year. The taxes paid amounted to 58% of our Net Railway Operating Income.

Our equipment is now for the first time in good condition since the termination of Federal Control, which fact accounts for an increase of \$63,869.20 in our Equipment Rentals over the preceding year.

During the past year, we continued improving the property by grade reduction work, re-ballasting, and constructing steel bridges, on concrete abutments—in place of wooden trestles. I believe that the money spent this year in permanent improvements will in the near future decrease our Operating Expenses still further, and prove a good investment.

Alpena, the largest city North of Bay City, has shown a wonderful improvement in the last five years, and we look for a rapid development in the future.

In conclusion, it gives me great pleasure to state that we have a loyal and efficient body of employees, who are co-operating with the Management in getting the best possible results, and I have faith that with patience the property will prove all that I have expected in the past.

Yours very truly,

HENRY K. MCHARG, President

DETROIT AND MACKINAC RAILWAY COMPANY
SECOND VICE-PRESIDENT AND AUDITOR'S OFFICE

East Tawas, Mich., Feb. 6, 1926.

HENRY K. MCHARG, ESQ.,
President.

Dear Sir:—

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ending December 31st, 1925, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expenses by years.

TABLE F—Earnings and Expenses by months.

TABLE G—Operating Expenses.

TABLE H—Mileage.

TABLE I—Classification of Freight Tonnage 1924 and 1925.

TABLE J—Statistics for years 1924 and 1925.

TABLE K—Equipment.

TABLE L—Spurs, Sidings and Branches taken up and built during year.

Respectfully,

C. E. GLASS,

Second Vice-President and Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1925, AND COMPARISON WITH GENERAL
BALANCE SHEET AS OF DECEMBER 31, 1924, SHOWING INCREASE AND DECREASE

ASSETS		Total	Increase	Decrease
	Items			
Investments:				
Investment in Road and Equipment.....	\$7,513,136.64	\$7,661,506.16	\$294,338.69	
Miscellaneous Physical Property.....	148,369.52		20,027.49	
Current Assets:		529,587.41		\$21,353.06
Cash.....	58,237.19		700.00	
Special Deposits—J. P. Morgan Coupon Account.....	2,140.00		2,035.47	
Traffic and Car Service Balances Receivable.....	36,502.30		7,918.98	
Net Balances Receivable from Agents and Conductors.....	14,509.43		8,095.89	
Miscellaneous Accounts Receivable.....	48,374.54			111,178.09
Material and Supplies.....	368,663.38		160.00	
Equipment Salvage.....	1,131.70		.10	
Other Current Assets.....	28.87			
Unadjusted Debits:		85,581.19		
Insurance Premiums Paid in Advance.....	2,597.35			1,523.06
Discount on Funded Debt.....	70,000.00			10,000.00
Working Fund Advances.....	742.54			359.15
Other Unadjusted Debits.....	12,241.30			28,877.74
Total.....		\$8,276,674.76	\$159,985.52	

TABLE A (Continued)

LIABILITIES	Total	Increase	Decrease
Items			
Capital Stock:	\$2,950,000.00		
Common Stock.....	\$2,000,000.00		
Preferred Stock.....	950,000.00		
Long Term Debt:	2,750,000.00		
First Lien Bonds.....	1,500,000.00		
Mortgage Bonds.....	1,250,000.00		
Current Liabilities:	319,162.97		
Loans and Bills Payable.....	55,000.00	\$3,645.98	
Audited Accounts and Wages Unpaid.....	137,459.13	17,792.24	
Miscellaneous Accounts Payable.....	10,429.95	1,965.23	
Interest Matured Unpaid.....	2,140.00	700.00	
Unmatured Interest Accrued.....	9,166.67		
Traffic and Car Service Balances Payable.....	104,967.22	40,053.98	
Unadjusted Credits:	911,421.68		
Tax Liability.....	121,560.00		\$276.00
Accrued Depreciation—Road.....	147,818.71		1,009.08
Accrued Depreciation—Equipment.....	628,779.23	22,933.22	
Other Unadjusted Credits.....	13,263.74	1,244.14	
Corporate Surplus:	1,346,090.11		
Additions to Property through Income and Surplus.....	1,789,209.85	314,366.18	
Profit and Loss—Debit Balance.....	443,119.74		241,430.37
Total.....	\$8,276,674.76	\$159,985.52	

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT DECEMBER 31, 1925 COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1924
OPERATING REVENUES

	1925	1924	Increase	Decrease
Freight.....	\$1,274,247.79	\$1,447,935.06		\$173,687.27
Passenger.....	257,104.23	303,045.76		45,941.53
Excess Baggage.....	2,455.90	3,270.23		814.33
Parlor and Chair Car.....	1,965.40	1,904.07	\$61.33	
Mail.....	45,478.36	47,708.51		2,230.15
Express.....	56,234.73	56,568.78		334.05
Other Passenger Train.....	1,337.73	933.76	403.97	
Milk.....	29,234.13	29,183.14	50.99	
Switching.....	14,040.10	17,461.64		3,421.54
Special Service Train.....		293.75		293.75
Station, Train and Boat Privileges.....	149.75	205.91		56.16
Parcel Room.....	6.10		6.10	
Storage—Freight.....	1,175.18	1,199.07		23.89
Storage—Baggage.....	19.40	12.84	6.56	
Demurrage.....	5,316.00	10,878.00		5,562.00
Rents of Buildings and Other Property.....	4,362.48	3,817.41	545.07	
Miscellaneous.....	2,747.07	1,091.28	1,655.79	
Joint Facility—Cr.....	1,498.35		1,498.35	
Joint Facility—Dr.....	188.67		188.67	
Total Operating Revenues.....	\$1,697,184.03	\$1,925,509.21		\$228,325.18
OPERATING EXPENSES				
Maintenance of Way and Structures.....	\$342,094.96	\$351,414.14		\$9,319.18
Maintenance of Equipment.....	449,123.85	448,978.68	\$145.17	

TABLE B (Continued)

Traffic.....	24,490.55	24,349.00	141.55	
Transportation—Rail Line.....	650,062.83	703,323.54		53,760.71
General.....	66,003.81	77,088.94		11,085.13
Transportation for Investment—Cr.....	\$23,903.59	\$4,058.86	\$19,844.73	
Total Operating Expenses.....	\$1,507,872.41	\$1,601,595.44		\$93,723.03
Net Operating Revenue.....	189,311.62	323,913.77		134,602.15
Railway Tax Accruals.....	121,804.29	126,612.46		4,808.17
Uncollectible Railway Revenues.....	617.68	734.37		116.69
Railway Operating Income.....	\$66,889.65	\$196,566.94		\$129,677.29
Equipment Rents—Credit Balance.....	141,004.71	77,135.51	63,869.20	
Miscellaneous Nonoperating Physical Property.....	†330.07	14,701.07	4,371.00	
Income from Unfunded Securities and Accounts.....	1,388.39	1,732.92		344.53
Miscellaneous Income.....	1,653.01	1,189.29	463.72	
Joint Facility Rents Cr. Balance.....	1,544.39	1,070.78	473.61	
Income from Lease of Road.....	4,800.00	3,200.00	1,600.00	
Total Income.....	\$216,950.08	\$276,194.37		\$59,244.29
Interest on Funded Debt.....	110,000.00	110,000.00		
Interest on Unfunded Debt.....	1,962.02	3,766.25		1,804.23
Amortization of Discount on Funded Debt.....	1,136.09	2,498.04		1,361.95
Miscellaneous Tax Accruals.....	1,682.64	2,525.62		842.98
Miscellaneous Income Charges.....	1,878.60	275.00	1,603.60	
Income Appropriated for Investment in Physical Property.....	314,366.18	86,566.98	227,799.20	
Surplus.....	*\$214,075.45	\$70,562.48		\$284,637.93

†Debit.

*Deficit.

TABLE B (Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNTS

Debit Balance, January 1, 1925.....	\$201,689.37	
Miscellaneous Credits.....		\$451.55
Debit Balance Transferred from Income.....	214,075.45	
Debt Discount Extinguished Through Surplus.....	8,863.91	
Loss on Retired Road and Equipment.....	18,585.72	
Miscellaneous Debits.....	356.84	
Debit Balance Carried to Balance Sheet.....		443,119.74
	<u>\$443,571.29</u>	<u>\$443,571.29</u>

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4%	June and December	\$60,000.00	June 1, 1995
Mort.	1,250,000.00	4%	June and December	50,000.00	June 1, 1995
	<u>\$2,750,000.00</u>			<u>\$110,000.00</u>	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1923	Dec. 31, 1924	Dec. 31, 1925
Cash.....	\$33,687.69	\$79,590.25	\$58,237.19
Special Funds.....	1,920.00	1,440.00	2,140.00
Due from Station Agents and Others.....	83,114.64	46,897.87	62,912.84
Material and Supplies.....	587,613.20	480,813.17	369,795.08
Prepaid and Deferred Charges.....	3,679.44	5,222.10	3,339.89
Discount on Funded Debt.....	90,450.00	80,000.00	70,000.00
Other Unadjusted Debits.....	32,186.90	41,119.04	12,241.30
Totals.....	\$832,651.87	\$735,082.43	\$578,666.30
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$138,984.52	\$119,666.89	\$137,459.13
Notes Payable.....	125,000.00	51,354.02	55,000.00
Accrued Taxes, Interest and Traffic Balances.....	168,684.57	171,353.80	211,761.54
U. S. Government Assets.....	9,140.44	9,140.44	9,140.44
Totals.....	\$441,809.53	\$351,515.15	\$413,361.11
Net Assets.....	\$390,842.34	\$383,567.28	\$165,305.19
CAPITAL ASSETS			
Cost of Road.....	\$6,108,872.92	\$6,205,542.58	\$6,455,751.61
Cost of Equipment.....	1,043,068.47	1,013,255.37	1,057,385.03
Miscellaneous Physical Property.....	108,631.61	128,342.03	148,369.52
Totals.....	\$7,260,573.00	\$7,347,139.98	\$7,661,506.16
Net Assets.....	\$7,651,415.34	\$7,730,707.26	\$7,826,811.35
REPRESENTING			
Bonds Issued—First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage.....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common.....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred.....	950,000.00	950,000.00	950,000.00
Reserves.....	751,208.15	754,673.80	776,597.94
Other Unadjusted Credits.....	6,925.60	2,879.16	4,123.30
Additions to Property Through Income and Surplus.....	1,388,276.69	1,474,843.67	1,789,209.85
Surplus.....	†194,995.10	†201,689.37	†443,119.74
Totals.....	\$7,651,415.34	\$7,730,707.26	\$7,826,811.35

† Deficit.

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

	1921	Per	1922	Per	1923	Per	1924	Per	1925	Per
REVENUES	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.
Freight.....	\$1,441,278.73	73.12	\$1,357,364.45	72.66	\$1,418,984.24	73.72	\$1,447,935.06	75.19	\$1,274,247.79	75.08
Passenger.....	406,169.07	20.61	353,055.75	18.90	344,773.30	17.91	303,045.76	15.74	257,104.23	15.15
Mail.....	54,010.40	2.74	44,980.07	2.41	43,867.28	2.28	47,708.51	2.48	45,478.36	2.68
Express.....	34,259.81	1.74	65,411.72	3.50	52,448.40	2.73	56,568.78	2.94	56,234.73	3.31
Milk.....	1,348.67	.06	17,999.13	.96	24,948.68	1.29	29,183.14	1.51	29,234.13	1.72
Other Sources.....	34,060.96	1.73	29,343.04	1.57	39,840.97	2.07	41,067.96	2.14	34,884.79	2.06
Total.....	\$1,971,127.64	100%	\$1,868,154.16	100%	\$1,924,862.87	100%	\$1,925,509.21	100%	\$1,697,184.03	100%
EXPENSES										
Maint. Way and Structures.....	\$295,902.02	16.77	\$311,979.99	18.34	\$374,869.70	21.17	\$351,414.14	21.94	\$342,094.96	22.69
Maint. Equipment.....	535,656.43	30.36	585,402.37	34.41	573,799.91	32.40	448,978.68	28.03	449,123.85	29.78
Traffic.....	28,016.07	1.59	25,872.01	1.52	24,056.81	1.36	24,349.00	1.52	24,490.55	1.62
Transportation.....	827,842.05	46.92	709,181.22	41.68	729,615.27	41.20	703,823.54	43.95	650,062.83	43.11
Miscellaneous Operations.....	41.15									
General.....	73,095.50	4.43	70,091.24	4.12	69,879.78	3.95	77,088.94	4.81	66,003.81	4.38
Transportation for Investment										
—Cr.....	1,252.47	.07	1,204.25	.07	1,498.08	.08	4,058.86	.25	23,903.59	1.58
Total.....	\$1,764,300.75	100%	\$1,701,322.58	100%	\$1,770,723.39	100%	\$1,601,595.44	100%	\$1,507,872.41	100%
Net Earnings.....	\$206,826.89	10.49	\$166,831.58	8.93	\$154,139.48	8.01	\$323,913.77	16.82	\$189,311.62	11.15
Taxes.....	135,742.55	6.88	120,665.75	6.46	100,535.08	5.22	126,612.46	6.58	121,804.29	7.17
Net Earnings, less Taxes.....	71,084.34	3.61	46,165.83	2.47	53,604.40	2.79	197,301.31	10.24	67,507.33	3.98

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF OPERATING REVENUES AND OPERATING EXPENSES FOR FISCAL YEAR ENDING DECEMBER 31, 1925

OPERATING REVENUES

Oper. Revenues	January	February	March	April	May	June	July	August	September	October	November	December
Freight.....	\$89,493.35	\$79,744.82	\$97,309.02	\$104,985.00	\$119,058.34	\$121,231.88	\$111,284.37	\$118,848.72	\$124,497.20	\$131,773.11	\$102,472.37	\$73,549.61
Passenger.....	29,687.15	22,317.05	20,262.85	17,611.68	15,264.43	18,298.29	30,159.24	25,322.92	19,361.48	15,633.06	17,201.10	25,984.98
Mail.....	4,000.00	4,000.00	4,267.46	4,000.00	4,000.00	3,557.79	3,900.00	3,777.80	3,900.00	2,814.91	3,630.40	3,630.00
Express.....	3,961.90	2,345.43	2,821.29	4,750.31	5,034.85	6,306.73	5,597.53	5,720.01	4,355.00	5,799.04	5,508.54	4,034.10
Milk.....	1,350.39	1,188.10	1,440.12	1,733.09	2,805.83	4,416.20	4,224.61	3,670.86	2,991.48	2,479.10	1,641.63	1,292.72
Other Sources.....	2,353.17	3,510.54	2,607.10	2,235.83	2,241.53	3,648.28	3,252.46	2,462.30	2,986.50	4,515.45	2,303.61	2,768.02
Totals.....	\$130,845.96	\$113,105.94	\$128,707.84	\$135,315.91	\$148,404.98	\$157,459.17	\$158,418.21	\$159,802.61	\$158,091.66	\$163,014.67	\$132,757.65	\$111,259.43

OPERATING EXPENSES

Oper. Expenses	January	February	March	April	May	June	July	August	September	October	November	December
M. W. & Struct.....	\$17,322.85	\$15,224.47	\$17,074.24	\$31,883.12	\$37,332.57	\$52,265.35	\$39,929.74	\$37,808.02	\$31,603.12	\$29,486.38	\$25,653.86	\$6,511.24
Maint. Equipment.....	38,431.75	33,197.35	35,344.62	33,402.82	39,852.77	38,629.07	44,862.05	37,359.79	35,251.13	35,843.14	37,854.07	39,095.29
Traffic.....	2,006.35	2,072.21	2,235.06	1,975.16	2,328.18	1,946.80	1,891.83	2,186.16	2,009.85	1,969.17	2,152.22	1,717.56
Transportation.....	58,877.54	50,872.82	54,135.86	52,982.99	53,752.42	52,956.30	53,273.03	55,877.13	59,110.03	57,121.75	45,994.50	55,148.46
General.....	6,462.32	5,899.12	5,627.65	5,871.72	5,245.44	5,597.31	5,194.20	5,323.24	4,939.42	5,493.26	5,203.82	5,146.31
Tr. for Inv.—Cr.....	9.77	49.57	50.26	37.84	278.20	234.63	382.86	1,268.77	689.41	237.35	4,680.02	15,984.91
Totals.....	\$123,091.04	\$107,216.40	\$114,367.17	\$126,077.97	\$138,233.18	\$151,160.20	\$144,767.99	\$137,285.57	\$132,224.14	\$129,676.35	\$112,138.45	\$91,633.95
Net Revenue.....	\$7,754.92	\$5,889.54	\$14,340.67	\$9,237.94	\$10,171.80	\$6,298.97	\$13,650.22	\$22,517.04	\$25,867.52	\$33,338.32	\$20,619.20	\$19,625.48
Prop. Exp. to Revenue.....	94.1%	94.8%	88.8%	93.2%	93.1%	96.0%	91.4%	85.9%	84.2%	79.5%	84.5%	82.4%

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1925 COMPARED WITH 1924

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$27,059.54	\$1,933.09	
Roadway Maintenance.....	14,027.74	5,921.90	
Bridges, Trestles and Culverts.....	3,712.68		\$2,897.18
Ties.....	90,200.95		6,970.18
Rails.....	409.11		7,732.52
Other Track Material.....	27,208.51	8,232.78	
Ballast.....	11,792.64	8,445.49	
Track Laying and Surfacing.....	115,737.15		2,367.02
Right-of-Way Fences.....	4,084.81	1,656.01	
Crossings and Signs.....	4,482.67	871.99	
Station and Office Buildings.....	5,601.49		936.21
Roadway Buildings.....	3,331.67	2,421.08	
Water Stations.....	3,930.89	252.92	
Fuel Stations.....	354.33	72.43	
Shops and Engine Houses.....	3,228.42		4,407.36
Telegraph and Telephone Lines.....	2,539.59	347.37	
Signals and Interlockers.....	215.17	93.42	
Roadway Machines.....	6,515.03		651.95
Small Tools and Supplies.....	6,034.18	1,203.40	
Removing Snow, Ice and Sand.....	7,816.42		15,445.55
Injuries to Persons.....	1,515.07		397.66
Insurance.....	1,201.70		74.81
Stationery and Printing.....	850.54	446.74	
Maintaining Joint Tracks, Yards and Other Facilities—Dr.....	1,176.50	502.69	
Maintaining Joint Tracks, Yards and Other Facilities—Cr.....	931.84		159.95
Total.....	\$342,094.96		\$9,319.18

MAINTENANCE OF EQUIPMENT

Superintendence.....	\$14,625.35		\$170.69
Shop Machinery.....	6,604.84		1,010.88
Steam Locomotives—Repairs.....	127,173.57	\$1,144.74	
Steam Locomotives—Depreciation.....	11,020.20		294.47
Steam Locomotives—Retirements.....	25.84	1,511.72	
Freight Train Cars—Repairs.....	187,210.32	6,117.26	

TABLE G (Continued)

Freight Train Cars—Depreciation.....	\$26,210.14		\$1,220.33
Freight Train Cars—Retirements.....	5,471.44		2,719.80
Passenger Train Cars—Repairs.....	56,603.00		10,932.29
Passenger Train Cars—Depreciation.....	7,049.13	\$199.44	
Passenger Train Cars—Retirements.....	58.92		58.92
Work Equipment—Repairs.....	12,244.29	5,959.81	
Work Equipment—Depreciation.....	1,627.72	523.65	
Work Equipment—Retirements.....	87.14		94.10
Miscellaneous Equipment—Repairs.....	518.95	315.38	
Injuries to Persons.....	1,915.85		191.98
Insurance.....	303.69	78.67	
Stationery and Printing.....	1,172.27	371.88	
Maintaining Joint Equipment at Terminals—			
Dr.....	548.98	548.98	
Maintaining Joint Equipment at Terminals—			
Cr.....	112.79		67.10
Total.....	\$449,123.85	\$145.17	

TRAFFIC

Superintendence.....	\$14,103.46		\$920.26
Outside Agencies.....	2,711.30		30.74
Advertising.....	378.92	\$248.88	
Traffic Associations.....	1,290.05	129.48	
Industrial and Immigration Bureaus.....	600.00		
Insurance.....	1.80		
Stationery and Printing.....	5,405.02	717.16	
Other Expenses.....			2.97
Total.....	\$24,490.55	\$141.55	

TRANSPORTATION

Superintendence.....	\$31,430.96		\$1,107.17
Dispatching Trains.....	10,378.26	\$36.02	
Station Employees.....	98,999.99		4,114.54
Weighing, Inspection and Demurrage Bureaus	431.04		14.66
Station Supplies and Expenses.....	5,492.25		383.88
Yard Masters and Yard Clerks.....	11,704.78		505.85
Yard Conductors and Brakemen.....	24,589.67		5,396.19
Yard Enginemen.....	20,288.31		3,726.93
Fuel for Yard Locomotives.....	23,620.25		10,315.56
Water for Yard Locomotives.....	1,523.60		35.44
Lubricants for Yard Locomotives.....	424.05		211.45
Other Supplies for Yard Locomotives.....	176.10		88.05
Enginehouse Expenses—Yard.....	4,555.79		611.75
Yard Supplies and Expenses.....	462.35		60.87
Train Enginemen.....	67,933.00	2,935.41	
Fuel for Train Locomotives.....	137,201.78		43,208.77
Water for Train Locomotives.....	5,028.09		632.13
Lubricants for Train Locomotives.....	3,188.76		542.43
Other Supplies for Train Locomotives.....	1,282.21		177.05
Enginehouse Expenses—Train.....	34,782.03		193.58

TABLE G (Continued)

Trainmen.....	\$73,689.11		\$1,187.61
Train Supplies and Expenses.....	31,386.19		2,402.85
Crossing Protections.....	76.72	\$61.39	
Drawbridge Operation.....	3,229.88	36.19	
Telegraph and Telephone Operation.....	3,575.52		106.00
Stationery and Printing.....	6,592.05		747.42
Other Expenses.....	932.08	702.34	
Insurance.....	369.45		21.30
Clearing Wrecks.....	1,241.86		80.64
Damage to Property.....	3,562.88	1,811.37	
Damage to Live Stock on Right-of-Way.....	412.57	363.32	
Loss and Damage—Freight.....	5,304.24		2,413.74
Loss and Damage—Baggage.....	39.35		55.10
Injuries to Persons.....	9,260.53	4,403.71	
Operating Joint Yards and Terminals—Dr.....	34,385.59	10,770.31	
Operating Joint Yards and Terminals—Cr.....	7,305.76		4,059.04
Operating Joint Tracks and Facilities—Dr.....	1,727.15		475.51
Operating Joint Tracks and Facilities—Cr.....	1,909.85	123.34	
Total.....	\$650,062.83		\$53,760.71

GENERAL

Salaries and Expenses of General Officers.....	\$10,820.10		\$256.32
Salaries and Exp. of Clerks and Attendants....	39,332.33		1,855.00
General Office Supplies and Expenses.....	1,444.48		259.44
Law Expenses.....	5,489.62		568.61
Insurance.....	130.27	\$1.67	
Pensions.....	3,760.00	1,061.00	
Stationery and Printing.....	2,899.76	511.71	
Other Expenses.....	2,127.25		9,720.14
Total.....	\$66,003.81		\$11,085.13

SUMMARY

Maintenance of Way and Structures.....	\$342,094.96		\$9,319.18
Maintenance of Equipment.....	449,123.85	\$145.17	
Traffic.....	24,490.55	141.55	
Transportation.....	650,062.83		53,760.71
General.....	66,003.81		11,085.13
Transportation for Investment—Cr.....	23,903.59	19,844.73	
Total.....	\$1,507,872.41		\$93,723.03

Italic figures denote credits.

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1925

MAIN LINE

North Bay City to Cheboygan.....	195.53
One-half Ownership—Foss to North Bay City.....	.12

BRANCHES

Omer to Au Gres.....	8.22
Emery Junction to Prescott.....	12.17
Emery Junction to Rose City.....	31.22
Alabaster Junction to Alabaster.....	4.27
Au Sable River Junction to Comins.....	49.65
Hardy to Beevers.....	10.29
Lincoln Junction to Lincoln.....	14.66
Hillman Junction to Hillman.....	23.35
Rogers City Junction to Rogers City.....	14.40
Alpena Junction to Rockport.....	13.90
Total.....	182.13
Total Main Line and Branches.....	377.78
Yard Tracks and Sidings.....	94.70
Total, all tracks (miles).....	472.48

TABLE I

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

	1925	Per	1924	Per
	Tons	Cent.	Tons	Cent.
Products of Agriculture:				
Grain.....	3,716	.4	6,079	.6
Flour.....	3,245	.3	3,457	.3
Other Mill Products.....	1,283	.1	1,516	.1
Hay.....	1,270	.1	11,311	1.0
Fruit and Vegetables.....	25,286	2.4	23,476	2.2
Other Products of Agriculture.....	33,192	3.1	21,554	2.0
Total Products of Agriculture.....	67,992	6.4	67,393	6.2

TABLE I (Continued)

	1925 Tons	Per Cent.	1924 Tons	Per Cent.
Animals and Products:				
Live Stock.....	8,584	.8	6,938	.6
Wool.....	73		120	
Hides and Leather.....	581	.1	1,700	.2
Other Products of Animals.....	911	.1	700	.1
Total Animals and Products.....	10,149	1.0	9,458	.9
Products of Mines:				
Anthracite Coal.....	1,058	.1	1,783	.2
Bituminous Coal.....	66,065	6.2	60,701	5.6
Coke.....	3,907	.4	2,645	.2
Stone, Sand and other like articles.....	396,570	37.6	417,660	38.7
Other Products of Mines.....	4,312	.4	4,074	.4
Total Products of Mines.....	471,912	44.7	486,863	45.1
Products of Forests:				
Lumber.....	122,474	11.6	125,160	11.6
Other Products of Forests.....	3,821	.4	2,115	.2
Total Products of Forests.....	126,295	12.0	127,275	11.8
Manufactures and Miscellaneous:				
Petroleum and Other Oils.....	22,956	2.2	20,197	1.9
Sugar.....	1,557	.2	1,438	.1
Iron, Pig and Bloom.....	556	.1	583	.1
Iron and Steel Rails.....	904	.1	1,484	.1
Other Castings and Machinery.....	3,519	.3	4,863	.5
Bar and Sheet Metal.....	3,131	.3	6,014	.6
Cement, Brick and Lime.....	262,593	24.9	274,632	25.4
Agricultural Implements.....	1,109	.1	1,461	.1
Automobiles and Auto Trucks.....	1,514	.1	1,598	.2
Beverages.....	96		52	
Household Goods and Furniture.....	288		327	
Other Manufactures and Miscellaneous.....	45,348	4.3	40,777	3.8
Total Manufactures.....	343,571	32.6	353,426	32.8
L. C. L. Goods not distributed above.....	35,104	3.3	34,996	3.2
Grand Total, all commodities.....	1,055,023	100%	1,079,411	100%

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY

FREIGHT STATISTICS

	1925	1924
Number tons revenue freight carried.....	1,055,023	1,079,411
Number tons non-revenue freight carried.....	160,661	95,838
Total number tons of freight carried.....	1,215,684	1,175,249
Number revenue tons carried one mile.....	81,375,505	81,653,000
Number all tons carried one mile.....	90,843,000	88,231,000
Number revenue tons carried one mile, per mile of road.....	216,752	217,498
Number tons all freight carried one mile, per mile of road.....	241,971	235,019
Average distance haul of one ton revenue freight (miles).....	77.13	75.65
Average distance haul of one ton all freight (miles).....	74.73	75.07
Total freight revenue.....	\$1,274,247.79	\$1,447,935.06
Average amount received for each ton of freight....	1.20779	1.34141
Average receipts, per ton, per mile.....	.01566	.01773
Freight revenue per mile of road.....	3,394.12	3,856.84
Freight revenue per train mile.....	4.81	5.75
Average number of revenue tons per train mile.....	307.09	324.25
Average number of all tons, per train mile.....	342.82	350.37
Average number of revenue tons, per loaded car mile	22.24	22.13
Average number of all tons, per loaded car mile.....	24.83	23.91
Average number of cars, per train mile.....	22.4	23.5

PASSENGER STATISTICS

Number of passengers carried.....	132,379	168,040
Number of passengers carried one mile.....	7,137,000	8,612,000
Number of passengers carried one mile per mile of road.....	19,010	22,940
Average distance each passenger carried (miles).....	53.91	51.25
Passenger revenue.....	\$257,104.23	\$303,045.76
Average amount received from each passenger.....	1.94	1.803
Average receipts per passenger per mile.....	.03602	.03519
Total passenger train earnings.....	393,810.48	442,614.25
Passenger earnings per mile of road.....	1,048.96	1,178.98
Passenger earnings per train mile.....	1.62	1.85
Average number of passengers per train mile.....	29.27	36.08

OPERATING STATISTICS

Gross revenue from operation.....	\$1,697,184.03	\$1,925,509.21
Gross revenue from operation, per mile of road.....	4,520.64	5,128.94
Operating expenses.....	1,507,872.41	1,601,595.44
Operating expenses per mile of road.....	4,016.39	4,266.14
Operating expenses per train mile.....	2.96	3.26
Net operating revenues.....	189,311.62	323,913.77
Net operating revenues per mile of road.....	504.25	862.80
Ratio of expenses to earnings.....	88.85	83.18

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

Locomotives:	1925	1924
Passenger.....	12	12
Freight.....	14	14
Switching.....	4	4
	<hr/>	<hr/>
Totals.....	30	30
Passenger Cars:		
First Class.....	14	17
Combination.....	8	7
Parlor.....	2	2
Cafe.....	1	1
Baggage, Express and Postal.....	13	11
	<hr/>	<hr/>
Totals.....	38	38
Freight Cars:		
Refrigerator.....	6	6
Box.....	535	543
Coal.....	48	49
Flat.....	100	121
Stock.....	76	77
Gondolas.....	358	383
	<hr/>	<hr/>
Totals.....	1,123	1,179
In Company's Service:		
Officers and Pay Cars.....	1	1
Derrick Cars.....	2	1
Caboose Cars.....	11	11
Other Road Cars.....	74	65
Snow Plow.....	1	1
	<hr/>	<hr/>
Totals.....	89	79
Summary:		
Total Number of Locomotives Owned.....	30	30
Total Number of Cars Owned.....	1,250	1,296

TABLE L

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP DURING YEAR 1925

TRACKS BUILT			Miles	Feet
Track Order	Location			
1343 Spur Track for Arthur Ranger.....	One Mile So. of Ossineke			388
1351 Leg of Wye.....	North Bay City			1,750
1360 Spur Track for Harry Kennedy.....	Bolton			464
1363 Spur Track No. -0.....	West Tawas			1,599
1364 Spur Track No. -1.....	West Tawas			1,516
1365 Spur Track No. -2.....	West Tawas			1,809
1366 Spur Track No. -3.....	West Tawas			1,332
1367 Spur Track No. 33.....	Tawas Shops			1,249
1368 Spur Track No. 34.....	Tawas Shops			1,226
1369 Spur Track No. 35.....	Tawas Shops			1,102
1370 Spur Track No. 36.....	Tawas Shops			1,032
1371 Spur Track No. 37.....	Tawas Shops			810
1381 Spur Track No. 33.....	Alpena			866
1382 Spur Track No. 23.....	Alpena			2,485
1383 Spur Track No. 1.....	Alpena			84
1385 Spur Track No. 3.....	Alpena			86
1387 Spur Track No. 35.....	Alpena			129
1388 Spur Track No. 32.....	Alpena			670
1389 Spur Track No. 6.....	Alpena			299
1390 Spur Track No. 7.....	Alpena			1,136
1391 Spur Track No. 8.....	Alpena			1,067
1392 Spur Track No. 9.....	Alpena			986
1397 Spur Track off of Track No. 34.....	Tawas Shops			287
Total.....			4	1,252

TRACKS TAKEN UP			Miles	Feet
Track Order	Location			
1240 Adjustment Account Rockport Branch, Corrected Mileage.....				1,275
1321 Loop Track No. 4.....	No. Bay City			2,005
1342 Back End of Bayou Track.....	Au Sable			195
1344 Back End of Seed House Track No. 39.....	East Tawas			905
1345 Back End of Wilson Grain Company's Spur.....	Tawas City			180
1346 Pritchard Spur Track No. 177.....	Case			1,005
1347 Cain's Spur Track No. 27.....	Hillman			473
1348 Umstead Spur.....	Au Gres Branch			856
1352 Cross-over Track, Fletcher Paper Mill.....	Alpena			
1353 Back End of Tracks Nos. 18 and 20, Rich- ardson Spur.....	Alpena			1,590

TABLE L (Continued)

Track Order	Location	Miles	Feet
1354 Spur Track No. 139, Davidson Spur.....	Main Line		917
1356 Back End of Spur Track No. 138, Pole Road Spur.....	Main Line		390
1357 Through Side Track No. 86.....	East Branch	1,174	
1357 Back End of Water Works Track.....	Bay City		290
1358 Spur Track No. 11-A.....	Emery Junction		265
1359 Back End of Track No. 64 known as Arenac Spur.....	Main Line		30
1372 Track No. 30.....	Alpena		387
1373 Track No. 23.....	Alpena	2,600	
1374 Track No. 27.....	Alpena		118
1376 Track No. 28.....	Alpena		826
1377 Track No. 44.....	Alpena		612
1378 Track No. 34.....	Alpena		780
1379 Track No. 31.....	Alpena	1,016	
1380 Track No. 35.....	Alpena		186
1384 Track No. 33.....	Alpena		826
1393 Back End of Track No. 30.....	Tawas Shops		300
1394 Back End of Track No. 32.....	Tawas Shops		530
1395 Schriber Coal Track.....	East Tawas		455
1396 Alpena County Farm Bureau Track.....	Ossineke		750
Total.....		3	5,096

SUMMARY

Tracks Built.....	4	1,252
Tracks Taken Up.....	3	5,096
Net Increase.....		1,436

